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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

JUL - 8 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Review of the Commission's)	MM Docket No. 91-221
Regulations Governing Television)	
Broadcasting)	
)	
Television Satellite Stations)	MM Docket No. 87-8
Review of Policy and Rules)	
)	
Review of the Commission's)	MM Docket No. 94-150
Regulations Governing)	
Governing Attribution of)	
Broadcast and)	
Cable/MDS Interests)	
)	
Review of the Commission's)	MM Docket No. 92-51
Regulations and Policies)	
and Policies Affecting Investment)	
in the Broadcast Industry)	
)	
Reexamination of the Commission's)	MM Docket No. 87-154
Cross-Interest Policy)	

TO: Office of the Secretary

**RESPONSE OF PAPPAS TELECASTING OF THE MIDLANDS
REGARDING LOCAL MARKETING AGREEMENTS**

Pappas Telecasting of the Midlands, a California Limited Partnership ("Pappas"), by counsel, hereby respectfully responds to the FCC's Public Notice entitled, "Commission Seeks Further Information Regarding Television LMAs," released on June 17, 1997, 62 Fed. Reg. 33792 (published on June 23, 1997) (the "LMA Notice"). Pappas and Gary Cocola ("Cocola") are party to a Time Brokerage Agreement dated as of November 4, 1994, pursuant to which Pappas acts as time broker with respect to commercial television broadcast station KXVO, Omaha, Nebraska.

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LIST ABOVE

In the LMA Notice, the FCC asked parties to local marketing agreements ("LMAs") involving television broadcast stations to provide certain information listed in Paragraphs (1) through (8) of the LMA Notice. Pappas has set forth its response to such items on Attachment A hereto.

The FCC also requested in Paragraph (9) of the LMA Notice, that parties to LMAs provide any other information that they wish to bring to the FCC's attention. Pappas responds to this request below.

On August 15, 1990, pursuant to FCC consent, Pappas acquired from Mid-America Broadcasting, Inc. ("Mid-America") the FCC permit to construct station KXVO (the call sign of which was then KPQC). In order to assure Pappas' compliance with the FCC's "duopoly rule," a condition to the FCC consent to the assignment of the construction permit for station KXVO was that Pappas surrender its FCC license for commercial television station KPTM, Omaha, Nebraska, prior to commencement of program test authority by station KXVO. While it was initially Pappas' intent to so surrender its license for station KPTM, due to various circumstances Pappas decided instead to assign the construction permit for station KXVO to Cocola, and to retain the license for station KPTM. The construction permit for station KXVO was assigned to Cocola on November 4, 1994.

Mid-America first applied for the construction permit for station KXVO on October 26, 1979. After protracted proceedings before the FCC, the construction permit was finally issued on December 19, 1988. In the nine years during which Mid-America's application was pending before the FCC, Mid-America's principal, Larry Hudson, became involved in numerous other business ventures, and by the time the construction permit was granted, Mid-America appears to have been no longer willing nor able to commit the resources necessary to construct station KXVO. (See Exhibit 4 to Application on FCC Form 314 (File No. BAPCT-900223KF) requesting the FCC's consent to the assignment of the construction permit for station KXVO from Mid-America to Pappas.)

While it is possible that another party might have commenced construction of the station, it is uncertain whether such a party would have been able to operate the station profitably on a stand-alone basis, given that station KXVO was the fifth commercial television station in the Omaha market, the nation's 75th Designated Market Area ("DMA"). Under the LMA with Pappas, however, station KXVO has been able to take advantage of numerous efficiencies made available to it as a result of the LMA. For example, stations KPTM and KXVO utilize space at the same studio location and the antennas and transmitters for both stations are located at the same tower site. These efficiencies enabled station KXVO to operate profitably within six months of commencement of broadcasting. A stand-alone station would

probably have taken much longer to become profitable, if it could have been profitably operated at all.

In addition, the programming of station KXVO by Pappas, and the station's connection with station KPTM, has enabled station KXVO to make available to the public political and other current events programming that would probably not otherwise be available.

Respectfully submitted,

**PAPPAS TELECASTING OF THE MIDLANDS, A
CALIFORNIA LIMITED PARTNERSHIP**

By: 

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**Attachment A
LMA REPLY FORM**

MARKET: Omaha, NE

DMA#: 75

	Channel No. & Call Sign	Network Affiliation	Licensed Community	Owner/Licensee	Degree of Overlap (%) (estimated)			Nielsen (all day) Audience Share (9 a.m. - Midnight)		
					City Grade	Grade A	Grade B	11/96	2/97	5/97
Brokered Station:	KXVO Ch. 15	WB	Omaha, NE	Gary Cocola	100%	100%	100%	4	4	4
Brokering Station:	KPTM Ch. 42	Fox/UPN	Omaha, NE	Pappas Telecasting of the Midlands				8	8	8

LMA Specifics:	Date of LMA Signing	Length of Initial Term	Initial Term Start Date	Initial Term End Date	Renewal Provisions/Terms	% Time Brokered Per Week
	11/4/94	10 years	6/10/95	6/10/2005	Automatically renewed for 5 years unless Broker provides 6 month notice not to renew.	Substantially all